

## **I-394 HOT LANES/MNPASS WORKSHOP AND TOUR**

### **BRIEFING PAPER**

Prepared for the  
January 2005 Transportation Commission Meeting

Prepared by: Nytasha Sowers, Urban Planning Office  
Reviewed by: Michael Cummings, Manager, Urban Planning Office  
Approved by: Charlie Howard, Director, Strategic Planning and Programming, and  
Paula J. Hammond, Chief of Staff

### **PURPOSE:**

To update the Commission on a workshop and tour that took place in St. Paul, Minnesota on December 16 and 17, 2004. The intent of the trip was to provide participants with an overview of congestion pricing and the Minnesota Department of Transportation's (MnDOT) congestion pricing activities in Minneapolis/St. Paul Minnesota. A primary focus of the tour was MnDOT's I-394 high occupancy toll (HOT) lanes project that is scheduled to open in the spring of 2005 and is very similar in design and operation to WSDOT's proposed State Route 167 HOT Lane Pilot Project.

The Washington State delegation consisted of the following:

- Representative Fred Jarrett (41<sup>st</sup> Legislative District)
- Representative Jan Shabro (31<sup>st</sup> Legislative District)
- David Ward (Financial Analysis, Senate Highways and Transportation Committee)
- Gene Baxstrom (Senior Research Analyst, House Transportation Committee)
- Jim Kelley (President and CEO, Kelley Public Affairs)
- Bob Byrd (President, Pacific Die Casting Corporation)
- Bruce Agnew (Director, Discovery Institute Cascadia Center)
- John Niles (Adjunct Fellow, Discovery Institute Cascadia Center)
- Charlie Howard (WSDOT Director, Strategic Planning and Programming Division)
- Mike Cummings (WSDOT Manager, Urban Planning Office)
- Nytasha Sowers (WSDOT, SR 167 HOT Lane Pilot Project Manager)

A list of participants from the state of Minnesota is attached.

### **ACTION/OUTCOME:**

The Commission will be briefed on the tour and workshop held with the Minnesota Department of Transportation (MnDOT). No action is requested at this time.

### **BACKGROUND:**

For over a decade, the state of Minnesota has been looking at the possibility of improving the efficiency of their freeway system by using congestion pricing. In 1997, MnDOT began exploring the concept of converting existing underutilized HOV lanes on I-394, in Minneapolis, to HOT lanes. This effort was aided by a Value Pricing Pilot Program grant

from the Federal Highway Administration and State Legislative approval in 2003 of a bill authorizing the establishment of toll lanes.

With leadership from the Governor and key legislative representatives, Minnesota will open the I-394 HOT lane project (called MnPASS) in the spring of 2005. MnDOT is also studying the potential of building a new system of tolled lanes on existing freeway corridors as a means to partially fund needed improvements and provide options to travelers in the Minneapolis area.

The design and operation of the I-394 HOT lane project is remarkably similar to WSDOT's SR 167 Pilot Project. The public perception and the technical issues that Minnesota has dealt with are also expected to be very similar to those faced by the state of Washington. Workshop participants were able to talk through these issues and gain significant insights into potential solutions to obstacles that WSDOT may confront on the SR-167 HOT Lane Pilot Project.

## **DISCUSSION:**

Key findings and discussion items from the Minnesota trip:

There are strong similarities between the I-394 MnPass project and the proposed SR 167 HOT Lane Pilot Project.

The workshop confirmed the strong similarities between the Minnesota I-394 HOT lanes and the SR 167 HOT Lane Pilot Project. While the planned HOT lanes on I-394 has a 4-mile section that is barrier separated (similar to the I-90 center roadway), a 6-mile section is configured very similar to SR-167 - with two general-purpose (GP) lanes in each direction and an adjacent inside HOV lane. Both existing facilities have peak period congestion in the general-purpose lanes.

HOV lanes on both facilities are open to general traffic in the off-peak periods. General purpose traffic is only restricted from using the I-394 HOV lanes between 6:00 am and 9:00 am heading into Minneapolis (westbound) and between 3:00 p.m. and 6:00 p.m. heading out of Minneapolis to the suburbs (eastbound). General-purpose traffic is restricted from using the SR 167 HOV lanes between 5:00 a.m. and 7:00 p.m (both northbound and southbound).

The design of both facilities includes converting the existing HOV lanes to HOT lanes with a double white line buffer separating the adjacent GP lanes and multiple mid-point access locations. Both facilities will also use an electronic toll collection system (no toll booths), allow free access to 2-person carpools and high occupancy vehicles (HOVs) and will feature a variable toll rate set to ensure free-flow traffic in the HOT lanes for all users. These similarities will provide critically needed information on the requirements for driver messaging, enforcement, and the operational issues associated with mid-point accesses and buffer design.

The importance of both "grass-roots" and "grass-tops" support.

Several of the presentations by Minnesota stressed the importance of support and involvement from both the general public (grass roots support) and state leadership (grass-tops support) for the successful implementation of the MnPass program. Minnesota's first attempt at implementing congestion pricing in the mid-1990s was stalled by a citizen who perceived HOT lanes as "Lexus" Lanes – or lanes for the rich that would be too expensive for other income levels to utilize or benefit from.

Learning from this experience, MnDOT implemented a sizeable public outreach and education campaign for the I-394 HOT lane project. A recent (2002) Minnesota public opinion survey on congestion or “value” pricing indicated that people:

- Like the idea of avoiding congestion and will pay a fee.
- Respond positively to new technologies, if they work.
- Are more open to value pricing as congestion gets worse.
- Will strongly support value pricing if they see it work.

In addition to a substantial public outreach and education campaign, MnDOT engaged state leadership early and kept them involved throughout the planning and design phases of the I-394 project. Several of the legislators instrumental in passing the HOT lane legislation went on to participate in a Citizen Advisory Committee that provided planning oversight for the I-394 HOT Lane Project.

A major point of conflict on this committee was charging a toll (\$.25) in the off-peak hours where the lane had been previously open to all users. Charging a toll on the previously free-of-charge facility was considered a “take-away” and was opposed by one of the state legislators on the committee. A minority report was developed on this topic as a section of the Citizen Advisory Committee report (available on the MnDOT website at <http://www.dot.state.mn.us/information/mnpass/394/finalreport.html>). WSDOT is likely to face a similar decision on the SR 167 HOT lane project.

#### Minnesota is looking beyond the MnPass I-394 project.

MnDOT is currently evaluating the potential of constructing a network of new congestion priced toll lanes, called “FAST Lanes”, to their existing freeway system. MnDOT is considering several different system approaches for developing these lanes including beltway and/or radial roadway improvements to and around Minneapolis. This evaluation will include analysis of transit system service improvements including bus rapid transit (BRT) operating in the tolled lanes. At this point, MnDOT does not expect these lanes to completely pay for themselves, thereby requiring additional funding.

#### The importance of branding the HOT lane concept.

Minnesota stressed the importance of creating a brand name for their congestion management system in order to create an identity for the program, and terminology that appeals to customer experience (using terms such as “fast”, “express”, “pass”) as opposed to operator terminology such as “toll lanes”, “managed” lanes, or “HOT lanes”. MnDOT has branded its planned system of toll lanes as “MnPASS” and has branded new toll lanes within MnPASS program as “FAST” lanes.

#### Cost and funding for the project.

The I-394 HOT lane project will be developed and completed through a public/private partnership involving the state of Minnesota and private service vendors. The private firms will fund approximately \$2.6 million of the project’s estimated \$13 million cost.

#### The financial return on HOT lanes.

MnDOT felt that, in addition to the system efficiency improvements, the ability for the project to be self-supporting was an important point for support. The I-394 HOT Lane

project is expected to recover it's operating and maintenance costs, plus enough money to cover construction costs in approximately 8-10 years. However, the project will not raise enough money to pay for any system improvements.

**RECOMMENDATION:**

None required at this time.

For further information, contact:

Michael Cummings, Urban Planning Office Manager, 206-464-1223.

**MnPASS/ I-394 HOT Lanes Tour - List of Participants from Minnesota**

Douglas Differt, Deputy Commissioner  
Minnesota Department of Transportation

Randy Halvorson, Director  
Minnesota Department of Transportation  
Program Management Division

Marthand Nookala, Director  
Minnesota Department of Transportation  
Operations, Safety and Technology Division

Ginny Crowson, Technical Project Manager  
Minnesota Department of Transportation  
Office of Traffic, Security and Operations

Lee Munnich, Senior Fellow and Director  
State and Local Policy Program  
Humphrey Institute of Public Affairs  
University of Minnesota

John Doan, Project Manager  
Minnesota Department of Transportation  
Office of Investment Management

Brian Scott  
SRF Consulting